negotiation, multi-stakeholder participation, and performance based standards.

3. Opportunities to Enhance the Effectiveness of Sector Activities

This Plan identifies six opportunities and twelve related EPA actions to improve the Agency's use of sector approaches to achieve its Strategic Goals, enhance partnerships with government co-implementers, and better address stakeholder concerns in general. The opportunities and actions reflect conclusions drawn from several CSI evaluations, plus information gathered from recent interviews with EPA and external stakeholders. The actions would bolster EPA's capacity to use sector tools in both traditional regulatory programs and innovative multi-media performance improvement programs.

The opportunities are:

- Integrate sector approaches into EPA's strategic planning
- Coordinate planning and implementation of multi-media sector programs

- Gather and share sector information

- Enhance performance measurement of sector programs

- Provide resources to test and implement new sector approaches

- Establish sector-based customer service functions.

Each of these opportunities is described in more detail below. In the discussion, some actions specify the Office of Policy, Economics, and Innovation (OPEI) as the lead organization. For these items, OPEI is prepared to dedicate resources to implement the action. Other proposals outlined in this chapter require further Agency review, discussion, and endorsement. We anticipate that this review process will yield additional ideas and revisions. The final actions will be elevated to EPA's Reinvention Action Council before final presentation to the Administrator.

Integrate Sector Approaches into EPA's Strategic Planning

Under the Government Performance and Results Act, EPA must update its Strategic Plan every three years. EPA also must produce an annual plan that outlines activities to achieve the goals in the Strategic Plan. Items included in these planning documents become part of the formal set of "deliverables" for which the Agency is accountable to Congress. One of the objectives of GPRA is to link the Agency's planning and budgeting functions with account-ability. Consequently, items included in the formal planning documents gain visibility.

Currently, sector programs are addressed only under Goal 8 of EPA's Strategic Plan: *Sound Science, Improved Understanding of Environmental Risk and Greater Innovation to Address Environmental Problems* and in a Chapter on cross-cutting programs. It therefore is difficult to integrate sector approaches into the Agency's strategies for achieving its single-media goals, and it is difficult to foster multi-media sector approaches that address all of the goals.

Action:

- ***Identify sector approaches as strategies to achieve EPA's Strategic Goals.***
  OPEI will designate a sector representative to participate on each Agency goal team during the strategic and annual planning processes. This representative will help identify ways that sector approaches can be used to achieve each strategic goal. EPA also will address the possible use of sector approaches in the implementation sections of EPA's annual plans. By more directly connecting sector approaches with annual planning, Agency program offices will become more aware of sector tools to help them achieve program priorities.

Coordinate Planning and Implementation of Multi-Media Sector Programs

In addition to the strategic and annual planning processes discussed above, EPA uses many other planning processes to identify priorities and direct Agency work. Examples include the regulatory agenda, memoranda of agreement and management agreements between headquarters and regions, performance partnership agreements between EPA and states, and environmental agreements between EPA and tribes.

While sector program planning does take place within these processes on an ad hoc basis, there is no coordinated effort to ensure that sector activities address EPA priorities. There is an opportunity to foster an integrated planning and implementation process for sector programs to ensure that EPA and co-implementer priorities are addressed.

Actions:

- ***Designate EPA staff "catalysts" to identify multi-media sector opportunities.***
  OPEI will dedicate staff to be internal monitors of the Agency's priority issues, upcoming regulatory agenda, and other activities to identify cross-office sector program opportunities. These sector "catalysts" will establish cross-office information flow and "seed" multi-media projects. For example, the "catalyst" will review EPA's regulatory agenda to look for opportunities to couple upcoming regulatory action with voluntary beyond compliance activities in a given sector.

- ***Recognize government co-implementer priorities during sector program planning.*** EPA will establish sector liaisons with co-implementers to gather information on regional, state, and local environmental priorities. The Agency will coordinate with the Environmental Council of States (ECOS), Association of Metropolitan Sewerage Agencies (AMSA), and other co-implementer organizations, to jointly identify opportunities for sector approaches. EPA's sector program planning will take into account these co-implementer priorities.

- ***Coordinate selection of priority sectors for cross-Agency attention.*** OPEI will coordinate with Agency program offices, regional offices, and government co-

implementers to analyze candidate industry sectors that may warrant Agency-wide attention because they are strongly linked to multi-media priorities and public concerns. As part of the annual EPA planning cycle, OPEI will report its analysis of opportunities to the Agency's Multi-Media Pollution Prevention (M2P2) Forum and the Reinvention Action Council (RAC). These senior leadership groups will select industry sectors for comprehensive, cross-Agency program planning and development, based on their potential to address important problems more effectively through a comprehensive multi-media approach. (Note, this planning process will not preclude EPA work with other industry sectors to address more narrowly focused environmental issues.)

- ***Design and implement multi-media sector programs to address priority environmental problems.*** Once an industry sector is selected as a multi-media priority for EPA, OPEI will convene a stakeholder process to design a sector-wide program to promote performance improvement. This process will include analysis of sector issues across all media, problem-solving to define program plans, and implementation of regulatory and non-regulatory projects. OPEI will provide ongoing support for planning, stakeholder dialogue, program start-up, and measurement.

- ***Expand the use of Performance Partnership Agreements and other agreement tools to promote the use of sector approaches by government co-implementers.*** To help government co-implementers better understand how to use sector approaches to address their priorities, EPA will develop a chapter on "implementing innovations" for inclusion in the Performance Partnership Agreements Primer.

Gather and Share Sector Information

EPA's creation of a new Office of Environmental Information (OEI) demonstrates that information issues are a priority for the Agency. Retrieving information about industry sectors and specific sector programs within EPA is difficult, because information is widely dispersed. Consequently, sector programs are not able to use information. There are a number of immediate actions which can help federal, state and local programs make better use of sector information to achieve environmental protection.

Actions:

- ***Develop a sector programs data source.*** OPEI will develop an improved data resource to provide regular updates on the progress of select sector programs and contact information for ongoing sector activities. This data will be maintained on EPA's Internet site and available to EPA programs, government co-implementers, and the general public. EPA will work with co-implementers to establish links to relevant assistance resources such as: the Small Business Administration's Development Centers, the National Institute of Standards and Technology, Manufacturing Extension Partnerships, EPA's Compliance Assistance

Clearinghouse, and the Pollution Prevention Resource Exchange (P2Rx).

- ***Make sector tools and training more available for state and local governments.***
  EPA will help build co-implementer's interest in sector programs by using
  existing tools and developing new tools and training as needed. Tools may
  include:

  - sector contact lists,
  - primers on when and how to use sector approaches and how to create
    incentives for industry participation,
  - best practice case studies and lessons learned,
  - tools for cost-benefit analysis and performance measurement, and
  - sector-based guidance for environmental management systems.

Enhance Performance Measurement of Sector Programs

Voluntary sector stewardship projects have the potential to address important environmental
problems and achieve significant environmental gains, but many of these programs have not
been able to measure their actual environmental results. Consequently, some sector
programs cannot quantify their contribution to the Agency's mission.

Actions:

- ***Develop a training program and toolbox for performance measurement.*** OPEI
  is currently designing an internet-based Sector Program Performance
  Measurement Toolbox that will assist sector program managers with the design of
  statistically meaningful measurement systems. The Toolbox will include "smart
  forms" to guide users through menus of potential measures and data sources. See
  the companion document entitled *Toolbox for Sector Program Performance
  Measurement.*

- ***Implement performance measures to assess the environmental results of sector-
  based enforcement and compliance assurance activities***. As part of the 1997
  National Performance Measurement Strategy, EPA will develop statistically valid
  noncompliance rates for several industry sectors during Federal Fiscal Years
  2000-2001. The initial work will use self-reported data from current and former
  MOA priorities and track this information over several years in order to examine
  the relationships between activities and compliance.

Provide Resources to Support New Sector Work

In spite of their potential to deliver environmental results and save resources over time, many
sector approaches are not directly funded. Given EPA's many statutory mandates and
established programs, Agency program offices and regions find it difficult to free up
resources for new sector initiatives, particularly those that are not required by statute or court

order. Often, resources must be taken from mandated activities to fund new programs.

Moreover, many sector programs require up-front "seed" funding to test innovative new approaches during implementation. As a consequence, many sector activities are constrained or curtailed before they have a chance to take root, despite having broad stakeholder support. There is an opportunity for EPA to overcome resource constraints and build incentives for multi-media sector work by establishing a dedicated fund for promising sector initiatives.

Action:

- ***Establish a sector innovation fund to create a strong incentive for EPA programs to consider sector approaches to achieve their program goals.*** The sector innovation fund would support initial work on multi-media sector initiatives at EPA, including pilot programs in states and localities. Prospective projects would be required to demonstrate measurable environmental results, a strong link to the EPA's Strategic Goals, and a clear resource need.

Establish Sector-Based Customer Service Functions

EPA is actively expanding customer service functions in order to be more responsive to the regulated community and the public. Sector approaches provide an opportunity to enhance EPA's customer service. The regulated community sometimes finds it difficult to gain access to EPA. Improved customer service would make it easier for stakeholders to engage in constructive dialogue with the Agency. Good customer service is necessary for cost-effective environmental improvements.

Action:

- ***Expand sector point of contact program***. EPA will identify individual "points of contact" for selected industries. These industry desk representatives will be knowledgeable experts about their respective industry sectors and will facilitate dialogue, answer questions, provide information, and help address issues. They would help convene and build relationships among stakeholders in an industry sector, EPA, state and local governments, and environmental and community groups, then help these groups find innovative solutions to problems affecting the sector.